

The digital consumer

 By [Beverley Klein](#)

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Focusing on all things commerce this month on Bizcommunity, we spoke to Andre Steenekamp, CEO of 25AM, about the digital consumer and some of the latest trends taking the online market by storm.



Andre Steenekamp

How has consumer behaviour changed in the last few years?

Steenekamp: Consumers have become more demanding than ever—they expect companies to deliver them with more personalised and relevant services and products, and to do so in a manner that is transparent, fair, efficient and convenient. They are more informed about brands, products and consumer rights because of the wealth of information social media and the rest of the web puts at their fingertips.

Consumers today are also more vocal when they are delighted or disappointed by the service they have received: The reach of social media means that every customer is a potentially powerful brand advocate or detractor. Another major change is the way that consumers interact with media and brands—multitasking is common and many customers are good at screening out advertising.

And finally, consumers are more connected than ever before. They use a second mobile screen whilst watching TV, they read product reviews and compare prices from a mobile phone whilst shopping in a store, and increasingly look to social media for information and opinions. As brands, we need a new approach to customers because blasting mass media advertising at them can no longer break through the clutter.

Explain the phrase "Internet of Customers"...

Steenekamp: This concept is about a world where the customer is at the centre of everything brands do—a big shift from the industrial paradigm where companies arranged their businesses around products and functional siloes. Mobile devices mean that our customers have access to the Internet wherever they go. As marketers, we now have layers of contextual information about customers' behaviour, added to what we were already able to track using web analytics tools.

Savvy brands are using this customer data to deliver more relevant and personal customer experiences to consumers in real-time, putting the customer right at the heart of their businesses. Whilst using the data we gather about customers through the web is important, the Internet of Customers goes beyond the PC or the smartphone. It's about the experiences customers have at every touchpoint. Using digital data to create better, more personal and more complete customer experiences across every channel is an opportunity that marketers cannot afford to ignore.

▀ *Which technologies are changing digital commerce?*

Steenekamp: Consumers' adoption of smartphones, the rise of big data analytics tools, and the emergence of the Internet of Things and wearable computers are all bringing real-world and digital customer experiences closer together. Thanks to smartphones (and in the future, wearable computers, connected car technology, and other devices), marketers can interact with customers wherever they are.

The entwined threads of the Internet of Things and wearable computing are taking mobility and data to the next level. Everyday objects such as cars, watches, fitness trackers, televisions, and even fridges and thermostats are becoming connected to the Internet. This means we can tap new sources of customer data and create exciting new customer experiences.

▀ *How is 25AM approaching the new consumer?*

Steenekamp: The smart home, media streaming and many other developments are starting to permeate our customers' lives. We are striving to understand how these are reshaping customers' expectations and behaviour. We begin every brand engagement by thinking about how we can use the new digital interfaces and channels to build relationships with our customers.

How do we use new technologies to create integrated, immediate and personalised customer journeys and experiences that span all our touchpoints? How can we earn consumers' trust to access their data and how do we use it in a respectful way that enhances customers' lives? These are the questions that inform our strategies and campaigns.

▀ *Take us through Beacon technology and what it means for digital commerce...*

Steenekamp: Beacons – such as Apple's iBeacon technology – are increasingly becoming a feature in stores around the world. This technology allows a mobile app to recognise when a smartphone is near a small wireless sensor called a beacon. For example, if you walk past a supermarket, the beacon will recognise you and start transmitting promotions, coupons or product recommendations that are relevant to you, based on your purchasing history.

It will track you as you walk through the store, capture the aisles that interest you and track your customer journey right through to the moment of payment. This is a potentially powerful way for companies to deliver personalised promotions and messages to consumers as they move through the store. It can also help companies to adapt their store layouts according to real customer behaviour.

▀ *What trends do you foresee in the commerce world?*

Steenekamp: *Virtual reality:* This allows one to immerse oneself in a 3D world, with a sensation of "presence". For example, you could wander through a virtual recreation of the Louvre in Paris to browse its great art works. In addition to its potential for education or virtual tourism, VR is likely to have significant gaming and entertainment applications.

There will be many great advertising and marketing opportunities in VR. For example, while someone is immersed in a VR application, marketers will be able to talk to him or her through signage or branded items in the virtual world. Or a user could do a VR tour of potential hotels before making his or her holiday bookings.

Augmented reality: Augmented reality overlays computer-generated content over a live image you view through a digital camera. In the future, that camera could be a pair of smartglasses rather than a smartphone. Shoppers could use it to try on virtual clothes, find the nearest pizza place, or get an overlay of the features and benefits of a product they are examining in the store.

Connected cars: More and more, cars in the future will come equipped with connected features, informational touchscreens and voice activated interfaces. Brands will soon be able to speak to them via digital interfaces such as streamed Internet radio. They will also be able to access information such as their routes to work, commuting times, media consumption and shopping trips. Imagine your supermarket using such data to meet you at your door with your shopping as you arrive home from work...

Next-generation social networking: We are seeing a big growth in social rewards programmes, which take advantage of customers' natural sociability. They reward customers for using their social influence to the brand's advantage, for example, by sharing their location or a recent purchase with their friends.

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ABOUT BEVERLEY KLEIN

Beverley Klein is the editor of the Marketing Media South Africa section on Bizcommunity.com. With a background in journalism and historical studies, she's dived into the world of industry news, curating content, writing and interviewing thought leaders. She's often spotted in a forest on the weekend and rarely seen without a camera. Follow @BevCPT.

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